

Corrected the total medical benefits paid out and the corresponding IBNRs



# HEALTH QUARTERLY STATEMENT

AS OF MARCH 31, 2002  
OF THE CONDITION AND AFFAIRS OF THE

## Cape Health Plan, Inc.

|                                       |   |                                       |   |   |                                       |            |
|---------------------------------------|---|---------------------------------------|---|---|---------------------------------------|------------|
| NAIC Group Code                       | 0000<br><small>(Current Period)</small>   | 0000<br><small>(Prior Period)</small> | NAIC Company Code   | 95759   | Employer's ID Number                  | 38-2455176 |
| Organized under the Laws of           | Michigan  |                                       |   | State of Domicile or Port of Entry  | Michigan                              |            |
| Country of Domicile                   | United States of America  |                                       |   |   |                                       |            |
| Licensed as business type:            | Life, Accident & Health [ ]   |                                       | Property/Casualty [ ]   |   | Dental Service Corporation [ ]        |            |
|                                       | Vision Service Corporation [ ]  |                                       | Other [ ]   |   | Health Maintenance Organization [ X ] |            |
|                                       | Hospital, Medical & Dental Service or Indemnity [ ]                                     |                                       | Is HMO, Federally Qualified? Yes [ ] No [ X ]                             |   |                                       |            |
| Incorporated                          | 04/29/1982  |                                       | Commenced Business  | 04/29/1982  |                                       |            |
| Statutory Home Office                 | 26711 Northwestern Highway, Suite 300<br><small>(Street and Number)</small>             |                                       |   | Southfield, MI 48034<br><small>(City or Town, State and Zip Code)</small> |                                       |            |
| Main Administrative Office            | 26711 Northwestern Highway, Suite 300<br><small>(Street and Number)</small>             |                                       |   |   |                                       |            |
|                                       | Southfield, MI 48034<br><small>(City or Town, State and Zip Code)</small>               |                                       | 248-386-3000<br><small>(Area Code) (Telephone Number)</small>             |   |                                       |            |
| Mail Address                          | 26711 Northwestern Highway, Suite 300<br><small>(Street and Number or P.O. Box)</small> |                                       |   | Southfield, MI 48034<br><small>(City or Town, State and Zip Code)</small> |                                       |            |
| Primary Location of Books and Records | 26711 Northwestern Highway, Suite 300<br><small>(Street and Number)</small>             |                                       |   |   |                                       |            |
|                                       | Southfield, MI 48034<br><small>(City or Town, State and Zip Code)</small>               |                                       | 248-386-3003<br><small>(Area Code) (Telephone Number)</small>             |   |                                       |            |
| Internet Website Address              | www.capehealth.com  |                                       |   |   |                                       |            |
| Statement Contact                     | THOMAS ASHFORD MURAR<br><small>(Name)</small>   |                                       |   | 248-386-3003<br><small>(Area Code) (Telephone Number) (Extension)</small> |                                       |            |
|                                       | tmurar@capehealth.com<br><small>(E-mail Address)</small>                                |                                       |   | 248-945-9149<br><small>(FAX Number)</small>                               |                                       |            |
| Policyowner Relations Contact         | 26711 NORTHWESTERN HIGHWAY, SUITE 300<br><small>(Street and Number)</small>             |                                       |   |   |                                       |            |
|                                       | SOUTHFILED, MI 48034<br><small>(City or Town, State and Zip Code)</small>               |                                       | 248-386-3003<br><small>(Area Code) (Telephone Number) (Extension)</small> |   |                                       |            |

### OFFICERS

|           |                  |           |                |
|-----------|------------------|-----------|----------------|
| President | Nancy Wanchik    | Treasurer | Ralph Woronoff |
| Secretary | William Brodhead |           |                |

### VICE PRESIDENTS

|              |                  |              |
|--------------|------------------|--------------|
| Murar Thomas | Michele Lundberg | Myla Johnson |
| Rodger Prong |                  |              |

### DIRECTORS OR TRUSTEES

|               |                |                  |
|---------------|----------------|------------------|
| Myra French   | Ralph Woronoff | Surjit Bhasin MD |
| Lynette Burns | Etrude Bryant  | Shirley Lightsey |
| Thomas Murar  | Sue Sarin      | Gladys Taylor    |
| Janis Coleman | Nancy Wanchik  | William Brodhead |

State of Michigan } ss  
County of Macomb }

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

|                                  |  |   |
|----------------------------------|--|---|
| Nancy Wanchik<br>President & COO | Susan Sarin<br>Chief Executive Officer | Thomas Murar<br>Chief Financial Officer |
|----------------------------------|--|---|

Subscribed and sworn to before me this  
15 day of July, 2002

Linda Rusie  
Notary Public  
March 26, 2003



UNDERWRITING AND INVESTMENT EXHIBIT  
ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

| Line of Business  | Claims<br>Paid Year to Date   |   | Liability<br>End of Current Quarter                      |   | 5<br><br>Claims Incurred<br>in Prior Years<br>(Columns 1 + 3) | 6<br><br>Estimated Claim<br>Reserve and Claim<br>Liability<br>Dec. 31 of<br>Prior Year |
|---|---|---|--|---|---|--|
|   | 1<br><br>On<br>Claims Incurred Prior<br>to January 1 of<br>Current Year | 2<br><br>On<br>Claims Incurred<br>During the Year | 3<br><br>On<br>Claims Unpaid<br>Dec. 31<br>of Prior Year | 4<br><br>On<br>Claims Incurred<br>During the Year |   |  |
| 1. Comprehensive (Hospital & Medical) .....                   |   |   |  |   |   |  |
| 2. Medicare Supplement .....                                  |   |   |  |   |   |  |
| 3. Dental Only.....   |   |   |  |   |   |  |
| 4. Vision Only.....   |   |   |  |   |   |  |
| 5. Federal Employees Health Benefits Plan Premiums .....      |   |   |  |   |   |  |
| 6. Title XVIII - Medicare .....                               |   |   |  |   |   |  |
| 7. Title XIX - Medicaid.....                                  | 1,527,820   | 9,047,861   | 552,388  | 10,980,900  | 12,080,208  | 12,080,208   |
| 8. Other .....  |   |   |  |   |   |  |
| 9. Subtotal .....   | 1,527,820   | 9,047,861   | 552,388  | 10,980,900  | 12,080,208  | 12,080,208   |
| 10. Medical incentive pools, accruals and disbursements ..... | 149,130   | 0   | 347,239  | 150,000   | 496,369   | 496,369  |
| 11. Totals  | 1,676,950   | 9,047,861   | 899,627  | 1,130,900   | 12,576,577  | 12,576,577   |